

VZCZCXRO4063  
OO RUEHBI RUEHCI RUEHLH RUEHPW  
DE RUEHNE #1332/01 1351231  
ZNY CCCCC ZZH  
O 141231Z MAY 08  
FM AMEMBASSY NEW DELHI  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1737  
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE  
RUEAIIA/CIA WASHDC  
RHEHNSC/NSC WASHDC  
RUEIDN/DNI WASHINGTON DC  
RHHMUNA/CDR USPACOM HONOLULU HI  
RUCNDT/USMISSION USUN NEW YORK 6405  
RHMFISS/HQ USCENCOM MACDILL AFB FL  
RUEHGV/USMISSION GENEVA 7725  
RHHMUNA/HQ USPACOM HONOLULU HI  
RHMFISS/HQ USSOCOM MACDILL AFB FL  
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 001332

SIPDIS

DEPT FOR SCA/INS

E.O. 12958: DECL: 05/13/2018

TAGS: [PGOV](#) [PREL](#) [SOCI](#) [IN](#)

SUBJECT: SUPREME COURT EXACERBATES STRUGGLING UPA'S HEALTH  
PROBLEM

REF: A. 07 NEW DELHI 5238

[1](#)B. NEW DELHI 1210

Classified By: PolCouns Ted Osius for reasons 1.4 (B,D)

[1](#)1. (C) Summary: In a public anti-corruption slap in the face to the United Progressive Alliance (UPA) coalition, Prime Minister Manmohan Singh and Health Minister Anbumani Ramadoss, the Supreme Court reinstated Dr. P. Venugopal as director of the All India Institute of Medical Sciences (AIIMS) after he had been fired for purely political reasons by Ramadoss with the support of the UPA (Ref A). Venugopal had been removed last year after a controversial law passed in Parliament at the behest of Ramadoss. Competence was not the issue; in fact, AIIMS has thrived under Venugopal's leadership. While Venugopal has resisted attempts to introduce "reservations" (a caste consideration near and dear to the Congress Party's vote bank heart) among the staff at AIIMS, Ramadoss' true motivations appear more unseemly. Venugopal told an Embassy Officer the real reason he was fired was his resistance to Ramadoss' attempt to extract kickbacks from the procurement process at AIIMS. The Supreme Court made the right decision and in doing so further exposed the weaknesses of the Congress Party and the inability of the Prime Minister to control the corruption of members of his cabinet, especially those from small parties vital to the UPA's survival. End Summary.

Supreme Court Upholds Appeal

[1](#)2. (U) On May 9 the Supreme Court struck down a law that had, in effect, removed the prominent cardiac surgeon, Dr. P. Venugopal, as director of the prestigious AIIMS. Rammed through parliament during the previous winter session, the law represented the culmination of a personal vendetta against Venugopal by UPA Health Minister Anbumani Ramadoss. As soon as the law passed, Venugopal and his supporters filed an appeal with the Supreme Court. The Supreme Court let Venugopal's removal stand, but said it would take up the appeal. Ramadoss, a member of the UPA-allied Pattali Makkal Katchi (PMK), and Venugopal had clashed repeatedly over management control of the institute.

Venugopal Reinstated, Calls for Ramadoss to Resign

[1](#)3. (U) Within hours of the favorable appeal ruling, Venugopal

resumed charge at AIIMS. The opposition Bharatiya Janata Party (BJP) wasted no time calling for Ramadoss to resign. "If Ramadoss does not resign, Prime Minister Manmohan Singh should dismiss him," BJP leader Sushma Swaraj told the press. The doctors at AIIMS also welcomed the ruling and called for the Health Minister to resign. Ramadoss refused to step down and the GOI has been silent on the embarrassment dealt to it by the Supreme Court.

#### Ramadoss' Purely Political Motivations

-----

¶4. (C) While little substantive legislation passed the house during the last winter session, Ramadoss shepherded the bill through for two relatively transparent political reasons: the Congress Party's weak-kneed fear of offending its coalition allies; and Venugopal's objections to "reservations" for AIIMS staff. (Note: AIIMS is a very highly regarded hospital that provides advanced medical care. Venugopal and AIIMS doctors oppose reservations, as opposed to pure merit, in selecting staff for fear that patient care quality would suffer. End Note.) Venugopal told an Embassy official, however, the real reason he was fired was his resistance to Ramadoss' attempt to control the procurement process at AIIMS for possible kickbacks.

#### Judiciary Exerts Individual Over the State

-----

¶5. (C) Comment: The Supreme Court's ruling represents a triumph of competence and meritocracy over heavy-handed and

NEW DELHI 00001332 002 OF 002

corrupt government control. The ruling comes shortly on the heels of another corruption scandal, which exposed Minister for Shipping, Transport, and Highways T.R. Baalu's attempts to use political influence (including the offices of the Prime Minister) to ensure favorable contracts for private companies owned by his sons (Ref B). With the AIIMS case compounding its woes, the Congress Party could not look worse. First, the Prime Minister - despite his image as a meritocrat and guarantor of autonomy for government institutions - allows a personally vindictive bill to pass because of the Congress Party's weakness vis-a-vis its UPA coalition partners. Then the Supreme Court publicly reprimands the GOI, overturning the law and exposing the party's flaws even further. Rightly so, the Supreme Court simply fixed a politically crass wrong that the Congress leadership somehow supported, with weakness begetting poor decision-making that put the needs of the patients - the voters - dead last. End Comment.

MULFORD